



AGENDA

**Teleconference Meeting of the
EIA and Improvement Mechanisms Subcommittee
Tuesday, December 4, 2007
9:00 AM
Room 201, Blatt Building**

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|------|---|---------------------|
| I. | Welcome and Introductions | Mr. Bob Daniel |
| II. | Approval of the November 19, Meeting Minutes | Mr. Bob Daniel |
| III. | Action: FY2008-09 EIA and EAA Budgets and
Related Provisos | Mrs. Melanie Barton |

Adjournment

Subcommittee Members:

Mr. Bob Daniel, Chair
Mr. Mike Brenan
Rep. Bill Cotty
Mr. Dennis Drew
Mrs. Barbara Hairfield
Mr. Neil Robinson
Sen. Kent Williams

Harold C. Stowe
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Jo Anne Anderson
EXECUTIVE DIRECTOR

11/27/2007

EAA Technical Assistance

	Initial SCDE Projection	SCDE Allocation	SCDE Requested Increase	Staff Allocation	EOC Staff Recommended Increase	2007 Report Cards	2008-09 Factors	New Recommended Increase Minimum	TOTAL
Technical Assistance									
# Unsatisfactory Schools	160	\$491,761	\$78,681,760	\$360,000	\$57,600,000	156	156	\$250,000	\$39,000,000
# Below Average									
Technical Assistance	268	\$134,538	\$36,056,184	\$100,000	\$26,800,000	290	290	\$75,000	\$21,750,000
Planning Grants	57	\$10,000	\$570,000	\$10,000	\$570,000	57	57	\$10,000	\$570,000
Grants for Additional Assistance									\$15,000,000
About Face Program (Proviso)			\$930,000		\$930,000				\$930,000
Agency Administration									
5% Proviso			\$5,811,897		\$4,295,000				\$3,862,500
Six New FTEs			\$397,688		\$0				\$0
TOTAL:			\$122,447,529		\$90,195,000				\$81,112,500
Less base:			\$ 81,102,688		\$ 81,102,688				\$ 81,102,688
Net Increase:			\$41,344,841		\$9,092,312				\$9,812
External Review Teams									
Continuing Unsatisfactory Schools	101	\$24,304	\$2,454,704	\$24,304	\$2,454,704	102	101		\$2,454,704
New Unsatisfactory Schools	55	\$14,291	\$786,005	\$14,291	\$786,005	51	55		\$786,005
Agency Administration									
Three New FTEs			\$198,844		\$0				\$0
Training and Support			\$208,000		\$208,000				\$208,000
TOTAL			\$3,647,553		\$3,448,709				\$3,448,709
Less Base:			\$1,372,000		\$1,372,000				\$1,372,000
Net Increase:			\$2,275,553		\$2,076,709				\$2,076,709
GRAND TOTAL:			\$43,620,394		\$11,169,021				\$2,086,521

EIA REVENUE PROJECTIONS FOR FY2008-09

FY2007-08 Appropriation Act	
Non-Recurring EIA Funds for Summer Schools	\$12,402,840
Recurring EIA Funds (Base)	\$677,833,363
TOTAL:	\$690,236,203
FY2008-09	
BEA Revenue Estimate (August 2007)	\$658,161,423
BEA Revenue Estimate (November 9, 2007)	\$674,714,375
DIFFERENCE Over Recurring Base	(\$3,118,988)

STAFF RECOMMENDED INCREASES/DECREASES FOR FY2008-09

<i>Objective: Recruit, Prepare and Retain Quality Teachers</i>	Recommended Increase	BASE EIA APPROPRIATION	Other Funding or Information
Center for Excellence to Prepare Teachers of Children of Poverty at Francis Marion	\$234,300		Partially funded as a Center of Excellence
National Board Certification - Based on 5,629 teachers receiving supplement and 1,200 new applicants in FY09. Amend Proviso for new applicants applying for certification on or after July 1, 2008	\$2,049,792	\$45,824,534	An additional \$6,061,304 in General Fund monies also allocated to the program.
Teacher Salary Supplement for Special Schools	\$988,726	\$0	Funds allocated each year across special schools
EIA Teacher Salary and Employer Contributions - To maintain average teacher salary at \$300 above the SE average of \$47,304 and fund EFA at \$2,578 and 872,274 weighted pupil units, requires less EIA funds.	(\$2,868,432)	\$95,746,904	
Mentoring Program -- SCDE requested \$10,467,700 of which \$10,004,800 allocated directed to districts for Keeping Educators Effective program.	\$3,140,310	\$0	
Eliminate Competitive Teacher Grant Program	(\$1,287,044)	\$1,287,044	

<i>Objective: Encourage Innovation and High Achievement</i>	Recommended Increase	BASE EIA APPROPRIATION	Other Funding or Information
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Increase appropriation for Palmetto Gold and Silver Program from \$3.0 million to \$4,750,000. Of this amount \$750,000 would be allocated to reward gap-closing awards as identified and recognized by the EOC. See attached staff proposal for details.	\$1,750,000	\$3,000,000	
Increase funding for Gifted and Talented Education to reflect EFA inflationary increase of 4.12%	\$1,477,202	\$35,854,420	
Fund second year of Public Choice Innovation Schools and evaluation. Estimate based on four innovation schools receiving \$300,000 and an evaluation of the program by the EOC at \$150,000	\$1,350,000	\$2,560,000	Of which \$200,000 is allocated to the Charter School District.
Fund Office of Innovation within the SC Department of Education as requested by SCDE (Program Manager II, Administrative Assistant, Statistical and Research Analyst III and Education Associate III)	\$300,516	\$0	
Fund "Innovaluation" pilot programs per SCDE request (Total request was \$2.0 million) -SCDE would evaluate and measure success of pilots and design expansion of programs for replication in other schools	\$1,000,000	\$0	
Young Adult Education - Continue phase-in of funding for young adults ages 17 to 21 who did not earn a high school diploma (also requested by SCDE)	\$1,600,000	\$1,600,000	An additional \$3,200,000 in General Fund
School Libraries -- Last year the initial allocation was \$1.0 million in non-recurring funds. Part of staff recommendation to improve reading proficiency. (SCDE requested \$1.0 million)	\$2,000,000	\$0	In current fiscal year, \$1,000,000 appropriated in non-recurring funds
Centers of Excellence - Maintain existing full funding of six Centers and bring another Center into operation in FY09.	\$16,112	\$721,101	

Objective: Simplify and Streamline Funding	Recommended Increase	BASE EIA APPROPRIATION	Other Funding or Information
Annualize Summer School Funding	\$12,402,840	\$18,597,160	In current fiscal year, \$12,402,840 also appropriated in non-recurring EIA funds
Consolidate the following line item appropriations into one line item distributed by number of students in districts who are eligible for free/reduced price lunch program and/or Medicaid. The funds would only be expended on intervention strategies that improve reading proficiency. All districts would be held harmless so that no district would receive less funds in FY09 than it did in FY08. The hold harmless provision would be phased out over the next three years through revenue growth and increase in EFA.	(\$192,589,708)		
Act 135 Academic Assistance (\$120,436,476)			
Reduce Class Size (\$35,047,429)			
Summer School (base plus annualization) (\$31,000,000)			
Parent Support (\$4,159,555)			
Family Literacy (\$1,946,248)			
INTO: Allocation to Districts to Improve Reading Proficiency	\$189,189,708		
Create separate line items XI.EIA.F.2. Other Agencies and Entities for:			
Accelerated Schools Project and eliminate Proviso 1A.26.	\$200,000		\$200,000 by proviso
Delete provisos 1A.26. and 1A.27. and create a new proviso to allocate funds for the SC Urban Leagues Parental Involvement at \$100,000, the SC Afterschool Alliance at \$250,000 and the SC Communities-in-Schools at \$200,000 which were funded from Parent Support/Family Literacy			
Create separate line item in SCDE for:			
Reading Recovery at \$3,200,000 and eliminate Proviso 1A.11.	\$3,200,000		\$3,200,000 by proviso
Consolidate the following EIA lines into one line item appropriation:			
Handicapped Student Services	(\$4,205,017)		
P.L. 99-457 Preschool Children w/ Disabilities	(\$3,973,584)		
Services for Students with Disabilities	\$8,178,601		
Allocate funds for TECH Prep and High Schools that Work to the EEDA which is funded in the General Fund:			
TECH Prep	(\$4,064,483)		
High Schools that Work	(\$1,000,000)		

Objective: Continue Implementation of EAA	Recommended Increase	BASE EIA APPROPRIATION	Other Funding or Information
Technical Assistance -			
SCDE's total requested increase for EAA Technical Assistance was \$43,620,394. See explanation.\			
Staff Recommendation: Maintain three-year funding of schools receiving technical assistance funding but reduce average allocation to \$100,000 for Below Average Schools and \$350,000 for Unsatisfactory schools. Maintain \$75,000 minimum for Below Average schools and \$250,000 minimum for Unsatisfactory Schools. Using SCDE's estimate of schools rated Below Average or Unsatisfactory, staff recommendation follows:			
Technical Assistance to Below Average and Unsatisfactory Schools	\$9,812	\$81,102,688	
Allocation of \$250,000 per 156 Unsatisfactory Schools and \$75,000 per 290 Below Average Schools			
Planning Grants of \$570,000 (\$10,000 per 57 schools)			
Technical Assistance Grants of \$15.0 million			
National About Face Program (\$930,000 per proviso)			
5% to SCDE (\$3,862,500)			
External Review Teams: 101 teams for continuing Unsatisfactory schools at \$24,304 (\$2,454,704) and 55 ERTS and liaisons for new Unsatisfactory schools at a cost per school of \$14,291 (\$786,005) (No increase for FTEs as requested; support costs included of \$208,000	\$2,076,709	\$1,372,000	
Assessment -			
1. Fund formative assessments for 300,000 students in grades 3 through 8 at \$12 per student (up from \$9 this year). SCDE requested \$14.4 million or \$24 per student.	\$1,000,000		The base appropriation is \$3,950,000 in General Funds.
2. Career and Technology Education (CATE) Technical Skill Assessments - Starting in 2008-09 skill assessments required by federal legislation (Perkins Act of 2006); Recommended last year by EOC but not funded	\$800,000	\$0	No funds currently allocated to this assessment. Requested by SCDE.
Data Collection - See Policy Statement	\$0	\$2,966,490	identifier

TOTAL Staff Recommendations:	\$22,976,360			
Fund Instructional Materials in General Fund not EIA	(\$23,278,783)			
Net:	(\$302,423)			

Lottery Recommendation:

Funds allocated for K-5 and 6-8 Reading, Math, Science & Social Studies Programs which totaled \$49,614,527 in the current fiscal year should be targeted solely on improving reading in all grades and across all content areas.

**Unresolved Issues from the
November 19, 2007 Meeting of the
EIA and Improvement Mechanisms Subcommittee**

Amend Policy Statement on SASI:

"The EOC, working with the South Carolina Department of Education and the State CIO, is convening a stakeholder group to define the technology infrastructure and professional development needed in our state's schools. The EOC is committed to increasing the return on investment in education. Investment in technology is a key component of this system.

Currently, there are 190 different data points collected through SASI. Having reliable district, school, program and financial data is critical to the state's accountability system. Replacing SASI with another data collection system will require extensive planning and development. The system should be uniform across schools and districts and implemented in an orderly and methodical manner with all programs interfaced. The system should also plan for the future by being flexible and upgradeable. The development of the system will require coordination with the CIO and a specific, yearly implementation and maintenance plan which includes ongoing staff development training, and broad involvement of all stakeholders from the classroom to the state level.

Add a new Proviso regarding Report on Programs for Students with Special Needs and Disabilities

"By November 1 of the current fiscal year, the Department of Education will provide to the General Assembly and the Education Oversight Committee a report on educational services to children with special needs and disabilities. The report must provide the following: a descriptive report of the program delivery system in schools and school districts; pupil counts by disability within districts and by grade levels as appropriate; the current cost of providing services to children by disability; the total amount of state, federal and local revenues for children with special needs; and documentation of the implementation of Individual Education Plans for students."

Amend the new proviso regarding reading achievement to read:

"Because reading proficiency is a fundamental skill that affects the entire learning experience and school performance of children and adolescents, the funds allocated for Reading Achievement are to be expended for intervention strategies to improve the reading proficiency of students in all grades and across the four content areas of English language arts, mathematics, science and social studies. Using the reading framework of the National Assessment of Educational Progress, reading achievement includes reading for literary experience, reading for information and reading to perform a task. The funds shall be allocated to districts based on the number of students in each district who are eligible for the free/reduced price lunch program or Medicaid. School districts may only expend the funds on direct services to students and tutorials with students and their families. The Department of Education will provide by November 1 of each fiscal year a report to the General Assembly and the Education Oversight Committee which documents progress in student academic achievement in reading by school district. No school district will receive fewer funds in the current fiscal year than it received in the prior fiscal year from the sum of following allocations: Act 135 Academic Assistance, Summer School, Reduce Class Size, Parent Support/Family Literacy. It is the intent that the hold harmless provision will be phased out over three years. The Department of Education will assist districts in implementing reading improvement strategies and interventions. Of the funds appropriated herein, a minimum of \$200,000 shall be allocated to the South Carolina Communities-In-Schools, a minimum of \$250,000 to the South Carolina Afterschool Alliance, and a minimum of \$100,000 to the South Carolina Urban Leagues state-wide parental involvement program."

EAA Technical Assistance – To be provided at the December 4, subcommittee meeting

National Board:

Options 1 through 3 have no fiscal impact on the 2008-09 budget but would impact the 2009-10 and subsequent budgets.

Option 4 would result in estimated savings of \$3 million (1,200 projected applicants at \$2,500 per applicant)

Option 1: Maintain Existing Compensation Plan

- \$7,500 salary supplement for ten years
- Teachers who teach in schools with absolute rating of below average or unsatisfactory eligible for full forgiveness of all assessment fees regardless of whether certification obtained if teach full-time for three years in underperforming schools. Otherwise, 50% of the loan principal and interest is forgiven when portfolio submitted; other half forgiven if teacher obtains certification within three years of receiving loan.
- Teachers renewing National Board certification at their own expense continue to receive \$7,500 salary supplement.

Option 2:

All teachers applying for or renewing National Board Certification on or after July 1, 2008 to be compensated accordingly:

- Current application fee forgiveness plan continues
- Teachers seeking renewal of National Board certification do so at their own expense
- Year 1-- \$7,500 salary supplement for all teachers receiving or renewing National Board Certification
- Years 2 through 10
 - \$7,500 for National Board teachers in a school with an absolute rating of Below Average or Unsatisfactory. If the school's absolute rating improves to Average or better and the National Board teacher continues teaching there, will continue to receive \$7,500 supplement.
 - \$3,750 for all other National Board teachers

Option 3:

All teachers applying for or renewing National Board Certification on or after July 1, 2008 to be compensated accordingly:

- Current application fee forgiveness plan continues
- Teachers seeking renewal of National Board certification do so at their own expense
- Year 1 -- \$7,500 salary supplement for all teachers receiving or renewing National Board Certification
- Years 2 through 10:
 - \$2,500 if teach in a school with an absolute rating of Average or above.
 - Additional \$2,500 if teach in a school with an absolute rating of Below Average or Unsatisfactory
 - Additional \$2,500 if employed as a literacy coach, reading coach or a teacher who can validate that two-thirds of his or her instructional time is dedicated to the extension of student reading achievement

Option 4: Sunset the Program

- Beginning July 1, 2008 the state would no longer pay the application fees for new National Board applicants.
- All individuals receiving National Board compensation prior to July 1, 2008 and all individuals who applied for National Board certification prior to July 1, 2007 and subsequently received the National Board Certification would continue to receive the state supplement of \$7,500 until the expiration of their National Board certificate.

A recommendation would also be made that the proviso be amended to require CERRA to build a data collection system that documents student achievement data for each National Board teacher.

Subcommittee Recommended Proviso Changes
2008-09 General Appropriation Act
Relating to EIA and EAA
(Proviso Numbers refer to Renumbered Base)
November 19, 2007

Recommendation: Amend the following provisos to delete duplicative reporting requirements.

1A.4. (SDE-EIA: XI.A.1-Gifted & Talented/Jr. Academy of Science) Of the funds appropriated in Part IA, Section 1, XI.A.1. Gifted & Talented, \$100,000 must be provided to the Junior Academy of Science. ~~The Department of Education must provide a report on the effectiveness of the academy to the State Board of Education and the Education Oversight Committee by October 1 annually in a format agreed upon by the Education Oversight Committee and the Department of Education.~~

1A.6. (SDE-EIA: XI.A.1-Junior Scholars) ~~The State Board of Education, through the Department of Education, must provide a report on the effectiveness of the Junior Scholars programs as appropriated in Part IA, Section 1, XI.A.1. to the Education Oversight Committee by October 1.~~ Eligibility for the Junior Scholars program is open to any student who meets the requirements of the program, whether the student attends public school or private school; provided however, any private school student is responsible for paying the cost of the qualifying examination and, at the option of the Department of Education, any other costs associated with the program.

1A.8. (SDE-EIA: XI.A.4-Academic Assistance/Curriculum Development) Funds appropriated in Part IA, Section 1, XI.A.4. for Act 135 of 1993 Other Operating must be used by the Department of Education to provide schools and school districts with technical assistance on curriculum development, including implementing the grade-by-grade academic standards, and instructional improvement in keeping with the intent of Act 135 of 1993 (Sections 59-139-05 and 59-139-10 of the SC Code of Laws) as provided in regulations promulgated by the State Board of Education. ~~Reports on the use of these funds will be provided to the Senate Education Committee and the House Education and Public Works Committee by September 1, of the current fiscal year, reflecting prior fiscal year expenditures.~~

1A.11. (SDE-EIA: XI.A-Academic Assistance/Reading Recovery) Of the EIA funds appropriated herein for the Academic Assistance Act 135, \$3,200,000 shall be used for the Reading Recovery programs throughout the State. Of the funds provided for Reading Recovery, up to \$50,000 shall be used for piloting alternative teaching methods for reading. ~~The State Department of Education shall report to the State Board of Education and the Education Oversight Committee on the allocation and expenditure of these funds by October 1 annually in a format agreed upon by the Education Oversight Committee and the Department of Education.~~

1A.17. (SDE-EIA: XI.C.2-Teacher Evaluations, XI.F.2- Implementation/Education Oversight) ~~The Department of Education shall provide a review of the evaluation results for teachers employed under induction, annual, and continuing contracts to be presented by~~

~~September 30, annually, to the State Board of Education and the Education Oversight Committee.~~ The Department of Education is directed to oversee the evaluation of teachers at the School for the Deaf and the Blind, the John de la Howe School and the Department of Juvenile Justice under the ADEPT model.

1A.40. (SDE-EIA: Professional Development) With the funds appropriated for professional development, the Department of Education must disseminate the South Carolina Professional Development Standards, establish a professional development accountability system, and provide training to school leadership on the professional development standards, also training must be provided to educators on assessing student mastery of the content standards. The State Department of Education shall revise professional development activities and programs, including professional development on the standards, the SC Reading Initiative, and programs for administrators, to include emphasis on strategies and services for students at risk of retention. ~~The State Department of Education shall provide information on the activities and programs and measures to gauge their effectiveness to the State Board of Education and the Education Oversight Committee by January 1.~~

Explanation: The EOC has statutory responsibility to, among other tasks, make programmatic and funding recommendations to the General Assembly, to report annually to the General Assembly, Board of Education and public on the progress and needed changes to the EAA and EIA, and to monitor and evaluate the functioning of the public education system. To provide meaningful information and to attain the greatest return on investments of resources, the EOC would like to construct comprehensive program evaluations and report over a three-year period on programs and services. In addition the EOC has undertaken an online programmatic and budgetary survey that will provide consistent information on all EIA and EAA programs. In turn, the EOC recommends deletion of several provisos which require additional reporting to the General Assembly. The information provided in these annual reports I already available to the General Assembly and public via the EOC's programmatic and budgetary review process that is conducted each fall. Results of the review are posted online at www.eoc.sc.gov.

Recommendation: Delete Proviso 1A.63. in its entirety.

1A.56. (SDE-EIA: Teacher Recruitment/Retention Task Force) ~~The Education Oversight Committee shall convene a task force to evaluate current teacher recruitment and retention policies, particularly those that impact on schools that have historically underachieved. Included in the task force will be representatives from the Department of Education, the Center for Educator Recruitment, Retention, and Advancement (CERRA South Carolina), institutions of higher learning, the Student Loan Corporation, the Commission on Higher Education, and classroom teachers from throughout South Carolina.~~

Explanation: The teacher recruitment and retention task force has completed its work and issued a report to the EOC. The report has been provided to members of the General Assembly.

Recommendation: Delete the following proviso in its entirety:

1A.60. ~~(SDE-EIA: 3 Year Technical Assistance Plan) No school that received technical assistance funding in Fiscal Year 2006-07 and that implemented a three-year technical assistance plan approved by the Department of Education shall receive a reduction in those funds in Fiscal Year 2007-08.~~

Explanation: Proviso 1A.42. provides for a minimum three-year commitment to provide technical assistance funds to underperforming schools. This proviso could set up a tiered system of technical assistance whereby schools would be compensated at different levels, pending the availability of funds.

Recommendation: Amend Proviso 1A.6.1 regarding the Public Choice Innovation Schools to allocate funds for the longitudinal evaluation

1A.61. (SDE-EIA: XI.E.1-Public Choice Innovation Schools) With the funds provided, a grant program will be established to support the creation of Public Choice Innovation Schools in South Carolina and to provide for their evaluation. These schools are public choice alternatives for grade 4-8 students enrolled in the public schools rated Unsatisfactory or Below Average or students enrolled in public schools rated Average or above and who scored Basic or below on any two or more subject area grade level PACT assessments in grades 3-7 during the most recent school year. The goal of Public Choice Innovation Schools is to demonstrate leadership in instructional, administrative or personnel practices yielding strong student academic achievement.

To assist entities in operating innovation schools, a grants program would be established by the State Board of Education. The grant would be for a minimum of five years with the first year of funding for planning and equipping purposes and the remaining years of supplemental funding for operation of the innovation school. Entities eligible to receive a grant include public and private partnerships. Partnerships include an educational management organization, a private corporation, an institution of higher education, a consortium of public schools districts and/or a contractual relationship between a private entity and a public school district. In the application process, partnerships must demonstrate at least one of the following strategies in improving

leadership and academic achievement: changes in teacher compensation to address geographic or certification barriers and/or to offer performance incentives; utilization of novel leadership and administrative policies and procedures, to include preparation and certification of administrators, operational procedures and costs shared with other entities; continuous progress of students between grades 4-8; virtual delivery of substantial portions of the curriculum; and novel or non-traditional uses of time, space and technology in the instructional delivery of state academic content standards; or a combination of these strategies. The first year planning grant to each proposed school would be \$100,000 with innovation schools also eligible to receive additional grant funds for equipment and facilities not to exceed \$400,000 per partnership. In year two of the grant the partnership would receive funds for operation of the school to include a maximum grant of \$300,000 in supplement of the per pupil revenues from federal, state and local sources. In years three through five the school would continue to receive grant funds but at the maximum level of eighty percent of each previous year's grant. Funding per innovation school would be dependent upon: state per pupil allocations; supplementary allocations equal to local spending levels in the sending school; transportation allowance equivalent to the state per pupil transportation expenditure; and federal funds as applicable to the student population. In year six and beyond, the innovation school would receive a minimum supplement of \$100,000.

Eligible to attend the Public Choice Innovation schools are students who meet one of the following conditions: (1) are enrolled in grades 4 through 8 and are assigned to a school rated Below Average or Unsatisfactory; or (2) are enrolled in schools with an absolute rating of Average or above and scored Basic or below on any two or more subject area grade level PACT assessments in grades 3 through 7 during the most recent school year. Students are not required to attend a Public Choice Innovation School in their district of residence. As long as no eligible student is denied admission, the Public Choice Innovation School may accept other students as their parents choose to enroll them and receive funded as previously defined. Once a student is enrolled in a Public Choice Innovation School, the child is guaranteed enrollment in the appropriate grades as long as the school remains in operation, unless the student violates behavioral expectations, or the parents choose to transfer the student to another school for which the student is eligible. An innovation school may not discriminate against any student on the basis of race, color, national origin, gender, disability or prior academic performance.

Public Choice Innovation Schools are required to participate in the statewide testing program; however, the schools shall not receive Education Accountability Act ratings until the third year of operation. The initial rating addresses student performance in the third year of operations.

An independent longitudinal evaluation of Public Choice Innovation Schools is to be conducted or contracted by the Education Oversight Committee and must include a value-added component so that valid comparisons can be made to student performance in traditional public schools and public charter schools. Of the funds provided herein, \$150,000 will be allocated to the Education Oversight Committee for the evaluation.

Of the funds provided herein, the first \$200,000 will be directed to the South Carolina Public Charter School District Board of Trustees which shall be authorized to use these funds for administrative costs to make the district operational.

Explanation: The proviso is amended to stipulate the amount of funds to be allocated for the evaluation.

Recommendation: Add an appropriately numbered proviso to read:

“A portion of the funds for the Palmetto Gold and Silver Awards Program must be used to reward schools that are identified and recognized by the Education Oversight Committee as closing the achievement gap between one or more historically lower-scoring demographic groups and historically higher scoring groups on the state assessment test for English language arts and/or mathematics. Each gap-closing school must receive \$5,000. A school is eligible to receive financial rewards for recognition as a Palmetto Gold and Silver school and for closing the gap.”

Explanation: To focus more public attention on the significant academic achievement of schools that are achieving academic success and are closing the achievement gap, the EOC would recommend increasing the appropriation for Palmetto Gold and Silver and including a special recognition for schools that close the achievement gap. The schools would be identified and recognized by the EOC and receive a \$5,000 reward.

EDUCATION ACCOUNTABILITY ACT FUNDING ACROSS THE YEARS *

EAA ITEM	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08
Technical Assistance										81,102,688
Teacher/Principal Specialist	1,455,239	5,206,698	10,469,189	19,602,447	33,862,589	32,365,839	33,977,962	17,366,575	27,071,733	
Alternative Technical Assistance								4,000,000	700,000	
Principal Leaders								1,275,240	2,079,105	
Below Average Schools								10,810,000	10,810,000	
Homework Centers	500,000	500,000	500,000	2,178,000	3,616,376	3,616,376	6,953,864	6,810,000	10,586,000	
External Review	0	0	0	4,000,000	5,466,872	5,466,872	1,466,872	586,800	699,010	1,372,000
Retraining Grants	750,000	750,000	750,000	4,875,000	9,265,645	9,265,645	7,460,500	5,565,000	6,144,000	
Principal Mentors	100,000	100,000	100,000	100,000	81,000	58,722	33,135	33,135	33,135	
Assessment	11,968,300	15,502,187	17,822,206	19,017,955	15,984,382	14,720,311	16,940,171	16,940,171	19,820,171	24,491,688
Formative Assessments										3,950,000
Summer School/Comp Remediation	0	10,000,000	18,000,000	21,000,000	21,000,000	21,000,000	21,000,000	31,000,000	31,000,000	31,000,000
Summer School Transportation			4,400,000	4,400,000	4,124,000	4,124,000	4,000,000	4,000,000	4,000,000	4,000,000
Modified School Year/Day	250,000	250,000	250,000	250,000						
Alternative Schools				15,600,289	10,976,277	10,976,277	10,976,277	10,976,277	10,976,277	11,688,777
Principals Executive Institute		1,000,000	1,000,000	1,000,000	949,466	949,466	906,370	906,370	906,370	906,370
Professional Development on Standards	0	1,000,000	7,000,000	7,000,000	6,646,260	6,646,260	6,204,060	4,413,485	4,413,485	7,000,000
Palmetto Gold and Silver Awards	0	0	0	2,000,000	1,000,000	2,000,000	2,000,000	3,000,000	3,000,000	3,000,000
Report Card/SASI	0	0	0	868,000	868,000	1,018,000	971,793	971,793	971,793	971,793
Data Collection							2,048,925	1,049,375	1,548,450	1,638,450
Unique Student Identifier							488,000	891,370	1,158,155	1,328,040
Education Oversight Committee (EOC)	596,000	1,119,339	1,119,339	1,119,339	1,062,774	1,062,774	1,214,538	1,214,538	1,214,538	1,761,370
EOC Public Relations				250,000	237,366	237,366	226,592	226,592	226,592	226,592
Department of Education Personal Service **		104,000	674,690	\$674,690	647,702	647,702	1,600,000	1,600,000	1,600,000	2,140,024
Department of Education Other Operating **			1,125,000	1,125,000	678,535	565,174	388,862	388,862	388,862	273,675
TOTAL EAA:	\$15,619,539	\$35,532,224	\$63,210,424	\$105,060,720	\$116,467,244	\$114,720,784	\$118,857,921	\$124,025,583	\$139,347,676	\$176,851,467
OTHER SUPPORTING PROGRAMS										
Reduce Class Size	19,608,761	37,220,049	38,552,245	35,491,067	35,491,067	35,491,067	35,047,429	35,047,429	35,047,429	35,047,429
EOC Family Involvement				50,000	47,473	47,473	45,318	45,318	45,318	45,318
K-5 Reading, Math, Science and Social Studies Grants					32,000,000	40,000,000	46,500,000	46,500,000	46,500,000	\$47,614,527
6-8 Reading, Math, Science and Social Studies Grants							2,000,000	2,000,000	2,000,000	2,000,000
High School Reading								500,000	1,000,000	2,650,000
Young Adult Education								1,600,000	3,200,000	4,800,000
Public Choice Innovation Schools										2,560,000
TOTAL OTHER:	\$19,608,761	\$37,220,049	\$38,552,245	\$35,541,067	\$67,538,540	\$75,538,540	\$83,592,747	\$85,692,747	\$87,792,747	\$94,717,274
GRAND TOTAL:	\$35,228,300	\$72,752,273	\$101,762,669	\$140,601,787	\$184,005,784	\$190,259,324	\$202,450,668	\$209,718,330	\$227,140,423	\$271,568,741

* Includes all recurring and nonrecurring General Fund, Education Improvement Act (EIA) and Lottery revenues.

** The administration figures are based on projected expenditures. For FY2007-08, actual appropriations total \$1,045,666; however, based on FY2006-07 budget expenditures, SDE estimates expending \$2,413,699 in personal services and operations in FY2007-08. Proviso 1A.4. will allow SDE to expend up to 5% of the total appropriations for technical assistance on administration in Fiscal Year 2007-08.